



helping prevent improper payments

# *The “Do Not Pay” Solution*

*Informational Webinar  
April 24, 25, 26 2012*



# Improper Payment Initiative

## Executive Order - Reducing Improper Payments and Eliminating Waste in Federal Programs

November 2009

The purpose of this order was to reduce improper payments by intensifying efforts to eliminate payment error, waste, fraud, and abuse in the major programs administered by the Federal Government, while continuing to ensure that Federal programs serve and provide access to their intended beneficiaries.



## Presidential Memorandum-Enhancing Payment Accuracy Through a “Do Not Pay List”

June 2010

Directed agencies to review current pre- payment and pre-award procedures and ensure that a thorough review of available databases with relevant information on eligibility occurs before the release of any Federal funds, to the extent permitted by law.

At a minimum, agencies shall, before payment and award, check the following existing databases to verify eligibility:

- Death Master File
- Excluded Parties List System
- Debt Check Database
- Credit Alert System or Credit Alert Interactive Voice Response System,
- List of Excluded Individuals/Entities

## Development of the Do Not Pay Business Center

April 2011

The Treasury’s Bureau of the Public Debt partnered with the St. Louis and Kansas City Federal Reserve Banks as Treasury’s Fiscal Agent, to develop the ***Do Not Pay Business Center*** as part of the “Do Not Pay” solution.

## Memorandum For Heads of Executive Departments and Agencies – Reducing Improper Payments Through the “Do Not Pay List”

April 2012

Directed Executive Agencies to take immediate steps to use the centralized solutions that are already in place for pre-payment eligibility review. The memorandum requires each Executive Agency (or the accountable official for improper payments and program integrity, under Executive Order 13520) to submit to OMB a plan for using centralized solutions.

# Our Vision

Our vision is two-fold:

- Help prevent, reduce and stop improper payments from being made
- Identify and mitigate fraud, waste and abuse within programs

## Awareness

- Communicate Values
  - Individual Privacy
  - Data Security
  - Relevant & Useful Data
  - Business Process Integration
- Provide high quality communication materials to customers and key stakeholders through presentations and discussion groups.
- Provide data so agencies can reduce improper payments.

## Onboarding

- Assist in the “Do Not Pay” initiative by onboarding State and Federal Agencies.
- Actively reach out to agencies to provide information about Do Not Pay.
- A Relationship Manager will be assigned to each agency to guide them through the onboarding process.

## Expand Services

- Collect feedback from agencies to formulate recommendations for future business requirements and data sources.
- Create and carry out communication plans to inform agencies of new data sources and functionality with each release.
- Provide ongoing customer support through the Agency Support Center.

# *Benefits of Using Do Not Pay*

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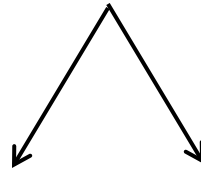
- Helps agencies eliminate manual checking of databases maintained in multiple sites—searches all data sources at one time to improve efficiencies.
- Provides access to current, relevant data to help make a payment or eligibility decision.
- Allows an agency a simple, streamlined way to comply with the “Do Not Pay” initiative, which requires all agencies to review key databases pre-award and pre-payment.
- Detects and helps prevent erroneous payments.

# *Do Not Pay Business Center*



## **Do Not Pay Portal**

Provides users with a single entry point for multiple data sources online. The data sources are updated frequently and allow the user to see results immediately. Users have the option of performing searches by the use of three different methods: online single searches, batch matching, and continuous monitoring.



## **Data Analytics Services**

Provides agencies with additional customized analysis to combat improper payments, including matching and analyzing the agency's payment file against currently available data sources and analyzing the payment file itself for irregularities such as same unique identifier (TIN, SSN, EIN, DUN) and different names.



## *Agency Support Center*

Supports users for both services and all aspects of the process. Also, provides personalized training and portal demonstrations.



# Portal

*Access to the portal is being offered to agencies as a one stop shop for your data needs. Agencies can select the best searching methods to incorporate into their procedures.*

## **Single Online Search**



One single entry can be searched and matching records will be returned. Currently, users can search on TIN, SSN, DUNS, Business or Individual Name.

## **Batch Matching**



Agency sends in large files before or after payments are made and Do Not Pay matches the files to available data sources and returns the results to the user via the online portal. Results are typically returned the next business day.

## **Continuous Monitoring**

Agency sends in large files and Do Not Pay stores the file within the portal and provides the agencies with the matches via the online portal. Results are typically returned the next business day.



## **Data Sources Currently Available:**

- Excluded Party List System (EPLS) with an Office of Foreign Asset Controls (OFAC) feed
- Death Master File (DMF)
- List of Excluded Individuals/Entities (LEIE)
- Debt Check
- The Work Number
- Central Contractor Registration (CCR)

*Receive updated data source files on a regular basis.*

*New Data Sources are being added regularly.*

# Preventing improper payments through verification

Examples of what you can verify	How you can verify it
Verify whether an individual that is receiving unemployment payments is still living, owes federal non-tax debt, and/or is recently employed	Match on Death Master File, Debt Check, EPLS, LEIE, and The Work Number
Identify vendors that owe federal non-tax debt and ensure vendors that owe debts are paid via the Treasury offset process instead of through a credit card	Match on Debt Check
Identify providers, individuals, or vendors that are excluded from doing further business with the government or should be subject to more oversight based on past performance	Match on CCR, EPLS, and LEIE
For agency programs that are means tested, Do Not Pay can verify the accuracy of income levels at the time of enrollment	Match on The Work Number
During the payment process, ensure that the name associated with the DUNS is the name associated with that DUNS in CCR, thus preventing payment to the wrong entity	Match on CCR
Identify keying errors that could cause the wrong entity to receive a payment	Match on CCR and EPLS



# Data Analytics Services

*Data Analytics Services are being offered to agencies to help reduce fraud, errors and payments being made to ineligible recipients.*

## Files to be used for agency analysis

- Agency provided payment file
- Agency provided payee list
- FMS Payment Data
- Recovery.gov
- USASpending.gov
- IPP Vendor Data
- ASAP Grantee Data

## Data Sources

- Excluded Party List System (EPLS) with an Office of Foreign Asset Controls (OFAC) feed
- Death Master File (DMF)
- List of Excluded Individuals/Entities (LEIE)
- Debt Check
- Central Contractor Registration (CCR)
- Affirmative Proceeding Data
- Dun & Bradstreet
- Recovery.gov
- Google Maps/Search
- Zip Code
- Prison Address Source

## General Statistics

- Number of payments, number of payees, total awarded, highest/lowest/average payment, standard deviation
- Payments or payees lacking a unique identifier
- Payments or payees outside of the United States
- Payment distribution analysis
- Payments sent to P.O. Boxes

## Fraud Detection

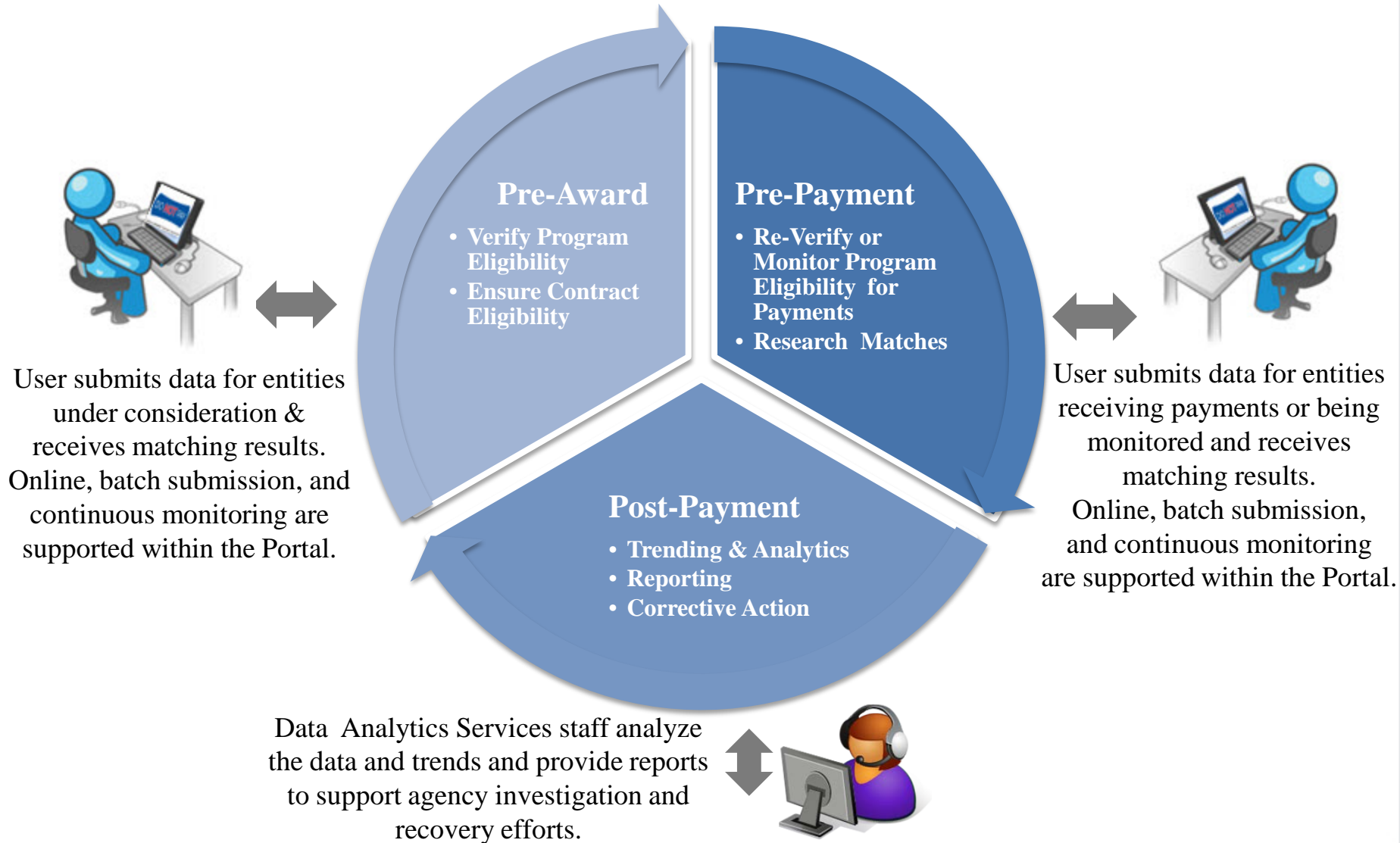
- Duplicate payments
- Conflicting information
- Link analysis

## Agency Specific Analysis

- Trend analysis
- Research irregularities
- Special Requests



# Business Process Integration



# Agency Next Steps

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The CFO of each Federal Agency shall submit to OMB a draft plan of action by **June 30, 2012**.

The agency's plan will consist of two parts:

- Outline of commitment by the agency to enroll
- Description of how the agency will incorporate their commitment into existing business processes



OMB will work closely with agencies in reviewing the draft plans and will provide comment **no later than July 31, 2012**.



The agency shall then finalize its plan, and submit a copy of it to OMB, **no later than August 31, 2012**.

# We've Got You Covered

*Treasury's Financial Management Service (FMS) and Shared Service Providers will be able to partner with agencies looking to fulfill the requirements in the presidential directive.*

Partner	Benefit	Process
Automated Standard Application for Payments (ASAP)	ASAP's grantee listing will be continuously monitored against Do Not Pay data sources for changes in grantee status.	Pre-Payment and Post-Payment
Internet Payment Platform (IPP)	IPP will use Do Not Pay's continuous monitoring functionality to automatically check for changes in vendor status for vendors that are registered and presenting invoices to agencies via the IPP.	Pre-Payment
FMS Payments	FMS post-payment data will be matched against Do Not Pay data sources to assist with recoveries and fraud detection.	Post-Payment
Shared Service Providers	Shared Service Providers can provide a value added service by assisting customer agencies in meeting the presidential directive. Coordinate Do Not Pay implementation plans with your service provider.	Pre-Award and Pre-Payment

# Onboarding

## Online Single Search

## Portal



## Batch Matching & Continuous Monitoring



## Data Analytics Services



# How Do Not Pay Can Help

## Get More Information

Schedule a meeting with our team to discuss onboarding for the Do Not Pay services that best fit your agency's needs.

## Start Receiving Updates

Sign up for the mailing list on our website to receive updates on new functionality and data sources as they become available.

## Contact the Agency Support Center



1-855-837-4391



[donotpay@stls.frb.org](mailto:donotpay@stls.frb.org)



<http://donotpay.treas.gov>

